

EXPLANATION OF
MR. MULOCK
IN THE
HOUSE OF COMMONS
ON
THE 7th OF JUNE, 1895

On introducing a Bill to disqualify persons, being Members of the House, from being appointed to Government positions.

THE INDEPENDENCE OF PARLIAMENT.

Mr. MULOCK moved for leave to introduce Bill (No. 111) better to secure the Independence of Parliament.

Mr. FOSTER,—What are the principles of the Bill?

Mr. MULOCK,—The object of the Bill is to accomplish what its title indicates, further to secure the independence of Parliament. It has been the constant effort of parliamentarians to secure in Parliament the free, unbiassed expression of the will of the people; and from time to time legislators have directed their attention to the removal of all obstacles in the way of the accomplishment of so desirable an end. Our predecessors have, from time to time, provided against biassing influences, as, for example, the presence of place-men in Parliament. That is recognized now as a condition of affairs which should not be tolerated in what should be a free Parliament. There are a few exceptions, but the general principle has been affirmed long years since, that members of Parliament should not owe any divided allegiance; but that each member of Parliament should represent freely and fully the will of the people who sent him here, and, to speak inoffensively and yet, perhaps, in an apt way to express my view, he should not accept the shilling to the extent of being in any way hampered in the discharge of his duties or rendered at all otherwise than free to act as his best judgment dictates in dealing with all questions before the House. Now, it is impossible for one to shut his eyes to an abuse which has sprung up in the Canadian Parliament, more particularly in this present House of Commons, an abuse that is far reaching, and which menaces the independence of Parliament itself. What I refer to is the practice of members of Parliament, members of this House, applying to the Government of the day for positions in the gift of the Crown, positions of emolument, which, if they were to accept, would

at once disqualify them from remaining members of the House. Why? Because the moment they have entered the public service as civil servants, they would cease to be free, they would be servants of the Government of the day, and therefore, to that extent, not able, untrammelled, to represent their constituents. Well, Sir, I would like to know if a man is more free who is an applicant for a position, or who has received the promise of a position from the Government of the day as soon as it may suit them to appoint him. How many members are there in this House to-day in that position? There are a considerable number.

Some hon. MEMBERS. No, no.

Mr. MULOCK—Yes, a very considerable number of members of this House to-day are applicants for public offices from the Government that they are supporting, and several have promises of such positions. A short time ago, the Premier of this country wrote a letter to a member of this House, stating that ten seats in the Senate had been promised. He did not say that they had been promised to members of this House, but I have not the slightest doubt but that a very considerable number of the seats are being kept vacant for some members of this House. We know, and the country knows, that public offices have been kept vacant now for years, which ought to have been filled or abolished long since, in order that when a fitting time arrived, members of this House might be appointed to these positions. It is not very long since a member of this House was appointed to a position, the promise of which, I understand, had been made to him whilst he was a member of this House, and he continued to be a member for a length of time after the promise was made. How can a member of this House, who has the promise from the Government of a position of emolument, be free to vote or take a stand, as a representative of the people, against the will of the Government. However independent he may desire to be, that relation entirely destroys his usefulness as a representative of the constituency which sent him here. Further, Sir, to regard Parliament as primarily a stepping-stone to office is calculated, in my judgment, to lower the dignity of Parliament. I do not deny that members of Parliament, after the lapse of a proper period of time, may have an equal claim with others to public office; but it will be a deplorable state of affairs if the idea comes to prevail that the best way to secure public office is to be a candidate for Parliament or a member of Parliament. Men will come here, not to serve their country first, but the Government of the day, in order that they themselves may profit, and the interests of their constituents and of the country will be a very secondary object. I think, therefore, considering the magnitude of the evil, that the time has arrived when Parliament must assert itself. I think I am not outside the mark when I say that from fifteen to twenty per cent. of the members now supporting the Administration have promises of situations, and depend upon the Government to carry out these promises. Such an element in Parliament is calculated to lower the influence of public confidence in the House, and entirely defeat the object of our parliamentary system.

THE CURRAN BRIDGE.

Parliament is told the Cost will be \$175,000. It has grown to \$394,000 actually paid out, and unsettled claims yet to pay.

SPEECH OF MR. MULOCK

In the House of Commons, June 19th, 1895.

SAMPLES OF WAGES ETC., PAID BY GOVERNMENT TO MR. ST. LOUIS:

\$4 a day for foreman.
\$6 " " " for night or over time.
\$8 " " " on Sunday.
\$12 " " " " " over time.
\$5 " " team.
\$10 " " " on Sunday.
\$2.50 a day for derrick.
\$3.75 " " for over time.
\$7 50 " " " " on Sunday.
St. Louis puts on all the men he wishes and gets paid for them.
2,000 men on the works at one time.
Large numbers idle.
No Government time-keeper.
No regular count.
No Government foreman.
No Government supervision.
No Government record of men or materials.
No Government classification of labor.
Unskilled labor paid for as skilled labor.
No public tenders for timber.
Inferior timber supplied.
Carters delivery tickets for lumber, etc., missing.
No checks as to quality of timber and lumber supplied.
Large quantities missing.
New timber burnt as firewood, carted away, stolen, etc.
Government teams haul lumber that contractor was to deliver.
\$39,896.04 paid for \$6,000 worth of stone cutting.
\$16,715 paid for \$3,000 " " "

Stone hauled by team 20 miles along railway, running from quarry to works.

Government warned all along of the frauds but allow them to continue.

Pays bills as they come in.

When work completed Government issue commission to investigate.

Pending investigation, Government pays St. Louis balance of \$105,000 for wages that Chief Engineer discredited and would not certify to.

Commission unanimously report incompleteness, extravagance and fraud.

People's money lost.

No one to be held responsible.

MR. MULOCK :

"MR. SPEAKER,—In 1892 the Government represented to Parliament that it was necessary to rebuild a couple of bridges in Montreal, which involved an expenditure of about \$175,000, and Parliament was called upon to place that amount at the disposal of the Government. The facts are that we have already expended \$394,000 upon that work. I do not propose to cite controversial evidence or to make statements that I think can be, in the slightest degree, challenged. Therefore, in seeking to ascertain beyond controversy the amount lost, I will accept only the evidence offered by the defence. I consider it as a serious objection that the Government should have asked Parliament for \$175,000, representing that that would be the total charge upon the country, and that that amount should have grown to \$394,000 at least, actually paid out to date, with an unsettled claim for \$60,000 or \$70,000 more. Leaving aside the fact that Parliament was not properly informed as to the nature of the work, or the proposed cost at that time, I would take the transaction as it developed subsequently. It was said that changes of the plans were made. There is no question of that. It is said that the original estimate of \$175,000 was too small. I will admit that for the sake of argument. And I turn to one witness, about whom there can be no question. I refer to Mr. Douglas, the Government engineer who examined this work, and who, with his colleagues, the other commissioners, investigated the work and reported that, at the outside, it could have been built by competent contractors, less the superstructures, for \$200,000; and adding the cost of the superstructures, the total cost of the work, performed under the same conditions, would not have exceeded \$260,000.

NOW THIS IS THE HIGHEST SUM

at which this work has been estimated by any person, even on behalf of the Government. There were no engineering difficulties; the work was simply to pull down two old bridges over the canal at Montreal, one a bridge used for carrying railway trains and another for passengers and carriages, and to rebuild them in a manner more suitable to modern demands. The railway bridge was about 230 feet in length and 14 feet wide; the passenger and carriage bridge was some 48 feet

wide. The work was simple, and it was to be carried on in a city of a couple of hundred thousand people supplying all material and labor that could possibly be required for the work. There has been paid out upon that work in cash \$394,000. Taking the outside estimate of the cost of the work \$260,000, and we have an admitted loss to the country of \$134,000, even if the country is never called upon to make good the claim still outstanding and in litigation. Therefore, in discussing the question as to how this country came to lose \$134,000, it is not necessary to refer to the expenditure in connection with investigation into that loss. Trials have taken place, suspected persons have been brought to trial, not only once but twice, and have been acquitted. According to the reasoning of the hon. member for Western Assiniboia (Mr. Davin), the moment there was a failure of justice, and one of these accused persons acquitted, the Government must never again attempt to secure justice against them. In discussing this question, as I said, I do not intend to use controversial testimony, and therefore

WILL SIMPLY QUOTE FROM THE RECORDS OF THE GOVERNMENT
THEMSELVES.

What were the steps taken in order to secure the performance of the work? The resolution charges the Minister of Public Works with having disregarded business principles.

NO PUBLIC TENDERS FOR THE WORK WERE DEMANDED,

either for supplying material or for supplying labour. The best that could be said is that tenders were privately invited from half a dozen persons in the city of Montreal for the supply of a portion of the labor for one of the works, and that, not the chief work.

NO TENDERS WERE INVITED

for a large portion of the material—the lumber that went into the work. Over \$45,000 worth of lumber was bought by private purchase without competition. Parliament voted the money for this work in May, 1892. The Government ought to have known at that time what they wanted; and yet we do not find that they have any definite plan matured for carrying out the work until about a year afterwards. First they proposed to have the canal deepened to 14 feet. After having had estimates upon that basis, they changed their specifications to 18 feet. Then, after wasting valuable time and getting into the middle of the winter they changed the estimates again to 22 feet. Now, I ask any business man if that showed any great business aptitude in regard to public works? Not only were they changing their plans, which ought to have been more or less matured when they asked Parliament in the previous year for money, but they undertook the performance of the work at a very advanced period of the winter. Now, it should be borne in mind that

THIS WORK WAS NOT A WORK OF ANY PRESSING NECESSITY.

It had been asked for for years, it was simply become necessary in a relative degree, because of the increasing traffic in that district. But there was nothing urgent requiring it to be carried out in the winter of 1893 unless all the plans and arrangements had been completed for completing the work in an economical and efficient manner. Nevertheless, the Government seem to have neglected every business precaution and every business principle for performing the work in a reasonable way. Instead of commencing the work as soon as navigation closed about 1st December, they lost valuable time, and it was not until the second week of March, less than two months before the opening of navigation, that they began active operations. Now, Sir, having privately invited tenders for a small portion of the required labor—and the commissioners doubt the bona fides of the competition—this extraordinary plan for performing the work was assented to. I read for the information of the House, something which has already been read once but which will bear reading again, to show the sort of bargain which was made by one of the departments and ratified by the Government. I quote from the judgment of Judge Desnoyers as to the terms on which this contract was made :

Mr. St. Louis' contract was extremely favorable to him. He was allowed \$4 a day for a foreman stonemason, day time, and \$6 a day for the same foreman for night or overtime ; \$8 for the same foreman on Sundays, and at the rate of \$12 for the same foreman for Sunday overtime. He was allowed \$5 for a double team, and \$10 a day for the same double team on Sundays. He was allowed \$2.50 a day for the use of a derrick, day time, \$3.75 for the use of the same derrick, night or overtime, and at the rate of \$7.50 a day for the same derrick for Sunday overtime, and so forth on the same scale for stonemasons, stonemasons and skilled laborers.

Well, Mr. Speaker, I am able to understand why there is an extra allowance for a man working at night or on Sunday ; but I have never yet been able to discover any reasonable explanation for allowing \$7.50 for the use of a derrick on Sunday, which derrick was only worth \$2.50 for a week-day. The judgment of Mr. Desnoyers goes on to say :

It is no wonder that Mr. St. Louis' bills must have been tremendous, when it is remembered that the job lasted about four months, and that there were at times as many as two thousand men at work in the day time and one thousand five hundred men at work at night time. The men were paid alternately every week.

Then after stating something which does not apply, the judge goes on to say :

In my opinion, the main causes of all the trouble in this matter are :

1. The exorbitant prices stipulated for labor in Mr. St. Louis' contract ; and,
2. The almost unlimited number of men allowed on the said work, so numerous that they were in one another's way, and Mr. St. Louis cannot be held criminally responsible for these causes.

Now, how much did the Minister know of what was going on? And

what really did go on? How did this loss occur? Judge Desnoyers says it was largely through the improvident bargain made for labor. In the month of May, 1893, the Government issued a commission to inquire into all these matters, and when the mischief was done, when the money was lost, the commissioners entered upon their investigation. The three commissioners were Mr. McLeod, Mr. Vannier, and Mr. Douglas; Mr. Douglas being an engineer in the Department of Railways. They all agreed upon their findings, and they all signed the report, a copy of which I have in my hand. But not to weary the House, I will only quote a few passages from their finding, setting forth what in their judgment are some of the causes that have led to this large loss of money. On page 6, the report says:

On account of Mr. St. Louis' contract only calling for the supply of skilled labor, in addition to mechanics, and not including ordinary labor, as understood by Mr. Schrieber (vide his letter of 6th March, 1893), an arrangement was made between Mr. Schrieber and Mr. St. Louis on 14th March, 1893, to add to the contract that class of labor, at the rate of 15 cents an hour, a price recommended by Mr. Parent. Mr. St. Louis, in his evidence, stated that he did not agree to furnish all ordinary or good laborers at the above rate, but only "pick and shovel" men, the ordinary laborers were skilled laborers, and should be paid 18½ cents per hour, being the price in the contract for skilled labor.

Well, this is a new doctrine that the word "skilled labor" is to be construed as Mr. St. Louis construed it, and as the Government construed it, as including all other than men who were able to handle a pick and shovel, so that a messenger, or a man who attended to a cart, or did any other work except pick and shovel work, was to be treated as a skilled laborer. Then on page 8, as to the mode of constructing the work, the report goes on to say:

The force was larger than necessary, and was not fully occupied.

Then further speaking of Mr. Kennedy, the Government superintendent:

He acknowledged that he had too many men on the Wellington, &c., stated that there were too many of all classes of labor on the Grand Trunk, on account of their being no head.

* * * * *

On the Grand Trunk bridge, Mr. St. Louis was allowed to furnish the time-keepers, foremen, stonecutters, masons, and other labor without any selection, requisition and classification, by the superintendent or any other official of the Government.

* * * * *

Time-keepers are charged as foremen or mechanics, whose rate was higher than is paid to time-keepers. Some of the clerks in Mr. St. Louis' private office are entered in the Government pay-lists, and received their wages from public money.

What supervision did the Government exert over the employment of the men? The report says:

The only oversight or check of the number of men and time which Mr. Kennedy provided on the Grand Trunk, was to send one of the Wellington

time-keepers by day, and another by night, to count the number of men, without any attempt of classification or hours of work. It is acknowledged this account was not regularly made, or only three or four times a week; no record of it, although demanded, was produced before the commission.

No time keepers for a force amounting at times to 2,000 men, and to 1,500 at night. Comment is unnecessary. Then the report goes on to say:

Although there is no direct evidence of fraud, other than a few possible cases, which the contractor stated were probably errors naturally occurring in making up extensive pay-lists. Nevertheless, on the Grand Trunk bridge there has been every opportunity given whereby the contractor for labor, or any of his employees, if so inclined, could defraud the Government by fictitious pay-lists and accounts.

Then on page 9, the report continues:

The evidence showed that, outside of the original bill of timber, and especially in the temporary and false works, a large quantity of inferior timber and lumber was invoiced at tender prices, spruce, hemlock and pine culled deals, hemlock, cedar and spruce timber not of the value of tender prices.

Now, it is to be borne in mind that this work was performed in the city of Montreal, within a short distance of the city of Ottawa, where the chief engineer of railways had his head office; that there was a telephone from the seat of operations in Montreal to almost the very chair of the Minister of Railways, and that there was every opportunity for the Minister, and every one of his staff, at all hours of the day, to communicate with the work. The report goes on to speak of the timber, and here a most extraordinary state of affairs is revealed. 3,600,000 feet of timber are charged against the Government for practically temporary work. 3,600,000 feet, I am told, if loaded upon cars, would require 360 cars, at 10,000 feet per car, to carry it. These 360 cars would reach between two and three miles. If that lumber were to be extended upon a surface, it would cover some 80 square acres. All this was required to erect some temporary workshops and shelter for the men during the time the work was to be carried on. About one-third of this, it is said, has been lost, removed, and no doubt will ultimately have to be paid for by this country. Now, the Government invited tenders privately for some of this lumber, no doubt describing in the classification the kind of lumber. But there was no provision to show that they got the kind of lumber that was tendered for, and upon this point the commissioners report:

The temporary buildings and other false works, platforms, etc., were built on an extravagant scale, and it does not appear that provision was made for the greater portion of the temporary work in the bill of timber and lumber furnished those tendering for the supply.

The method of culling and delivery of timber was not satisfactory. The culler's books have not all been procured, and the carters' delivery tickets have been lost or destroyed; some of the accounts are certified by a culler who knew little about them, and who had left the work some time before.

Carts were sent for timber and lumber on nights and Sundays, when there were none of Henderson's employees in the yard to check the quantity

taken. There was nothing to prevent timber and lumber being taken for private uses, or carted twice before the cutters; the amount charged to the Government for material taken nights and Sundays is said by Mr. Henderson and his foreman, Labelle, to have been obtained by the cutters and others at the bridges the next day. * * *

The large amount of timber purchased for so small an amount of work is extraordinary. There are only two characters of the work in which it could be used in the permanent works, and in the false or temporary works.

By calculations made from the evidence and plans, we estimate there could have been used of all kinds of the timber and lumber about 2 594,800 feet, b.m. The total quantity charged to the bridges is about 3,613,800 feet, b.m., which leaves a shortage of some 1 018 000 feet, b.m. We cannot ascertain where this latter quantity of timber and lumber was used; it is probable some of it never reached the works.

Making a calculation in another manner, taking the quantity of timber remaining on the banks, which was used in the temporary works, and adding to this quantity a liberal allowance for that portion wasted, used up or stolen, together with the timber and lumber in the permanent works, the sum of these quantities deducted from the timber purchased leaves a shortage slightly greater than the quantity found in the previous calculation.

From the evidence it appears that a certain quantity of new timber was broken up and taken away by workmen, or burnt to keep themselves warm, also carted away or stolen.

Then the report continues:

Some of the timber and lumber was hauled in Government carts from Henderson's yards (240 loads), which should have been delivered by the contractor.

These are some of the facts the Government's own commissioners ascertained as showing how the great loss occurred. Then, as to the impropriety of the bargain made in regard to the employment of stone-masons and stone-cutters, the commissioners go on to say:

The estimated cost of the stonecutting solely in cutters' hours for the bridges and lock No. 1, taking the ordinary rate paid for piecework, face measurement, would be about \$6,000; the amounts tendered for cutters' hours amount to \$39,896.04. Of this sum the contractor for labour would have paid his men at the rate established by evidence, about \$30,030, if the pay-lists were correct.

Yet we are to be told that a blunder like this, involving on this one item alone a loss of \$30,000, is not to be charged against anybody. The report goes on to say:

If we take double the rate by piecework, viz., \$12,000, as an equivalent for men working by the day for the Government, and other circumstances, it still leaves an excess of cost of some \$18,000, which cannot be accounted for, which sum would be increased by the profit to the labor contractor.

Upon the Wellington bridge, by the hours charged for stone-cutting at the rate of wages paid by the contractor, the cost of stone cut is \$12,516; the amount charged to the Government, including contractor's profit, is \$16,715. The cost by piecework would be some \$3,000.

Yet this is not to be regarded as a gross mistake, although it involves a heavy loss to the country. The report continues:

The Grand Trunk and lock No. 1, being mixed in time-keeping, are taken

together, and the cost, at the rate of wages paid by the contractor, is \$17,548. The amount charged the Government, including contractor's profit, is \$23,180. The cost by piecework would be some \$3,000.

If the Government adopted ordinary business principles, and had got the work for this one item done in a business-like way by contract, then the commissioners would not have found that instead of costing \$3,000, it cost, in consequence of the method adopted by the department, no less than \$23,180. There is a railway from the quarry where the stone was procured to the bridge works, and we all know that haulage by rail is infinitely cheaper than by team; yet in this case cheapness was not to be regarded, there was no one looking after the interest of the country, so the stone was hauled twenty-two miles from the quarry by team. The Commissioners say on this point:

The contractor for labor, according to his accounts for the Grand Trunk, would have a profit of 50 cents a day upon a single cart, and \$1.75 upon the same at night.

In addition to the necessary carting, carts and men were sent long distances to haul old wood to the yards of those connected with the works and others. It is probable that a considerable amount of cartage charged to the Government should have been paid by the contractor or others.

That our suggestion shows how negligent the representative of the Government were of the public interest, The report goes on to say:

The Wellington bridge substructure should have cost \$144,000. The pay-lists for labor alone, without taking account materials and supplies, plant and false works, amount to \$151,645.

The Grand Trunk bridge substructure should have cost \$56,000. The pay-list for labor alone, without taking into account materials and supplies, plant and false works, amounts to \$139,622.

The excessive cost of the work is to a great degree attributable to the cost of the Grand Trunk bridge even when compared with the cost of the Wellington bridge. On the latter the evidence showed that there were more men than were necessary, there was a great amount of loafing and idling, an excessive cost of cartage, stone being carried from Terrebonne, a distance of about twenty miles, with a railway siding running into the quarry and available to carry the stone at a much less rate; carters idling, sent with an unnecessary number of men to load and carry lumber, an unnecessary number of foremen, and general extravagance in the conduct of the works.

On the Grand Trunk these causes were all operative to a much greater extent; besides, there is the unexplainable cost of stonecutting, of masons' hours, of cartage, of other labor, and the usual classification of skilled labor, the large percentage of the latter compared with ordinary labor, for all of which a large amount of money has been charged in the labor accounts.

Taking into account the entire number of causes mentioned, there still remains a large balance, for which we can offer no explanation, if the pay-list for labor or the time-keeping is not fictitious.

Then the commissioners draw certain conclusions, as follows:—

Taking items of work which have cost large sums, one of these—masonry: There were responsible contractors at the date when the rough stone was contracted for, who would have supplied the dressed stone on time and without delaying the work, at less rate than the Government could have done it

by day's labor, even if there had been no labor contract which increased the cost, considering the manner in which the stonecutting and time-keeping done. Masons are not occupied during the winter, and could have been easily obtained at a set rate by the Government without a contract.

During the season when this work was executed there is very little cartage to be done in the city of Montreal, a number of master carters, as well as others, had no employment for their horses and carts, and would have been only too willing to accept a fixed rate rather than have their horses idle. This was exemplified by evidence of carters worked on Sundays and nights at day rates.

One of the reasons of the heavy and unnecessary cost of cartage was due to the number of horses and carts unemployed at the season when this work was built.

For ordinary labor, the evidence shows that during the winter season there is always plenty of labor available, there were also many people thrown out of employment by the shutting down of manufacturing establishments on the canal during the progress of the work.

Skilled labor, such as carpenters, etc., is generally plentiful at that time of the year.

Yet we are told the explanation of this singular mode of procuring labor was the danger of strikes. Then the report goes on to say:

An excessive quantity of material and supplies were purchased. The plant was unnecessarily expensive and extensive. The temporary works, or false works, were too costly, even considering the method adopted in construction, which appears more expensive than might have been other methods of execution. The temporary buildings, etc., were on a scale for works ten times the magnitude of this.

Yet nobody is to be held responsible for these temporary works being of such magnitude. The report goes on to say:

Every effort appears to have been made to consume and utilize as much timber and lumber as possible, so as not to interfere with its being continually dumped up on the canal bank.

The labor force, carters, etc., was unnecessarily large and not fully occupied.

On the Grand Trunk bridge there was a large expenditure in cartage charged to the works, hauling timber and lumber long distances to the private yards of those connected with the works and others, even men paid by the Government were sent to unload and pile the stuff.

Carters and men were hidden so that the number unemployed would not be too conspicuous. Forty or fifty men doing nothing in a lumber yard, their time being taken by a timekeeper in the yard, sent with carts for lumber which should have been loaded and hauled by the contractor. An unnecessary night force seemed to have been employed to obtain the increased profit over day work. There was a wholesale classification of skilled labor whereby the most common and cheapest class of labor was charged as skilled.

Further on the report says:

For this condition of affairs and the results now known, the Department of Railways and Canals holds the local officers responsible, as occurring under their supervision, recommendations and reports. On the other hand, the local officers hold the department equally responsible.

Here a supporter of the Government says that it is St. Louis that is responsible, and the Crown says St. Louis is not responsible. The report goes on to say:

The general management of the canal has been characterized by great extravagance. Appropriations having been exhausted for repairs long before the end of the fiscal year, accounts have been withheld, and not forwarded by the superintendent for long periods after the material was delivered, apparently waiting for some appropriation to be available.

Labor and materials were charged to appropriations voted for another purpose.

The purchase of supplies and materials was extravagant, especially timber and lumber, which cover the banks. During 1892 and part of 1893 the timber and lumber supplied the canal amounted to \$147,116; of this amount Henderson Bros. furnished \$33,163. During the same period the timber and lumber charged to repairs, amount to \$42,008, the balance was charged to special appropriations of income and capital. There seems to have been a mania on the part of the management for purchasing timber and lumber.

There is to some extent, and it is possible, materials and supplies properly chargeable to the canal proper, were charged to the bridges. The store-keeping was more than bad, the store keeper incompetent, the certificate of accounts a farce. There was no proper system of delivering or receiving supplies, nor books of entry or delivery, nor any proper check of material or supplies used. We are of opinion that the canal staff, as well as the system of management, require a thorough reorganization.

HENRY A. F. MACLEOD,
Chairman.

J. EMILE VANIER.
ROBT. C. DOUGLAS.

This is evidence about which there is no controversy, and I have not read, nor do I intend to read any evidence that is controversial. That represents the manner in which the work was performed, that is the judicial finding by the authorities sent by the Government themselves. That state of affairs began on the first week of March, and it continued at an increasing ratio until the work was completed on towards the 1st day of May. The question now arises, first of all: Had the Minister of Railways any knowledge of these methods, and if so, what knowledge? Now, at the very commencement of the work, on the 9th of March, the *Montreal Star* published an article referring to the method of carrying on the work, and that gave him notice. It was read in the House last night by the Minister of Railways, and it so warned the Minister that he called upon Mr. Douglas to make a report. Mr. Douglas went to Montreal, and he came back, and on the 10th of March he reported the work as being done in a most extravagant way. Mr. Schreiber, the Minister's Deputy, was notified of this report, and on the 11th March he telegraphed to Mr. Parent, the local engineer in charge, to come to Ottawa and give an account of his stewardship. Mr. Parent came. Mr. Schreiber, the deputy head, asked him if the charges referred to in Mr. Douglas's report were correct, and he answered that Mr. Douglas's report was exaggerated. Mr. Schreiber then called in Mr. Douglas, and he then told Mr. Douglas that the accuracy of his report was questioned. Mr. Douglas gave his version again, and it ended in Mr. Schreiber coming to the conclusion that Mr. Parent's contradiction was incorrect, and that Mr. Douglas' report was correct. I call the attention of the House to the fact that Mr. Schrei-

ber swore before the committee investigating this matter that when on the 12th of March he found a conflict of testimony between Mr. Douglas and Mr. Parent, he came to the conclusion that Mr. Parent was wrong and that Mr. Douglas was right. That was on the 12th March, when this work had just begun.

Sir CHARLES HIBBERT TUPPER. Has the hon. gentleman the reference to the proof of that statement: That Mr. Schreiber believed Mr. Douglas in contradiction of Mr. Parent?

Mr. MULOCK. Yes, I can verify that. On page 135 of the evidence given before the Public Accounts Committee—I will not take up the time of the House by quoting what went before—but here is the evidence bearing on the point:

By Mr. Davies:

Q. Were you satisfied that Douglas was telling you the truth? A. I was satisfied that Douglas was telling the truth. I was satisfied that Parent would remedy anything that was wrong.

He was satisfied that Douglas was telling the truth, and that he had not given an exaggerated description of the character of the operations that were then going on. Now, the Minister of Railways, it is fair to assume, knew of Parent's statement, and he knew that Mr. Schreiber had, as it were, adjudicated on the matter in the way mentioned, because it was by order of the Minister of Railways that this inquiry was made.

Sir CHARLES HIBBERT TUPPER. Would I interrupt the hon. gentleman.

Mr. MULOCK. Not at all, I invite questions.

Sir CHARLES HIBBERT TUPPER. Will the hon. gentleman read five or six lines more of the examination of Mr. Schreiber by Mr. Davies, because I think the whole statement varies perhaps a little the line he dwelt on.

Mr. MULOCK. I will read the whole cross-examination of Mr. Davies.

By Mr. Davies:

Q. On the same point, I would like to follow that question with this: You evidently sent Mr. Douglas there to make a special report, because in your letter of the 10th you write Mr. Parent: "In the meantime I anxiously await the report of Mr. Douglas, who has been down to Montreal and visited the works."

Q. Therefore, he had gone with your knowledge? A. He had not gone for that special purpose. He was down there in connection with the superstructure, and I gave him his instructions to see what was going on.

Q. You were anxiously awaiting his report? A. Yes.

Q. You got his report confirming in a general way the statement made in the "Star"? A. In a general way, yes.

Q. You telegraphed for Parent. Parent came up and denied it. Did you see Douglas and ask him for evidence in confirmation of his reports? A. Yes, and I saw Douglas on his return, and he stated the same as that.

Q. Were you satisfied that Douglas was telling you the truth or Parent was telling you the truth? A. I was satisfied that Douglas was telling the truth. I was satisfied that Parent would remedy anything that was wrong.

Q. Although he contradicted, in general terms, this statement of the number of men employed? A. He said it was very much exaggerated.

Q. You took no steps? A. He was the one in charge and the one I relied upon.

Is that all.

Sir, CHARLES HIBBERT TUPPER. That is the point.

Mr. MULOCK. Mr. Schreiber was satisfied that Mr. Douglas had correctly reported to him, and had not exaggerated the state of affairs at the works. That was not the only notice the Minister had, for I was about to say that we must assume that all that transpired between Mr. Douglas and Mr. Schrieber was communicated to the Minister, because the Minister had directed this enquiry. But another officer at the works, Mr. Kennedy, the superintendent of canals, also becoming anxious, writes on the 12th March to the Solicitor General as follows:

I beg leave to acquaint you of the scandalous manner how certain things are being conducted on the Lachine Canal, in reference to the construction of works in connection with the new Wellington and Grand Trunk Railway bridges, as well as the renewal of the masonry of old lock No. 1.

After referring to certain details he goes on to say:

Without consulting any one, and for what motive I consider a mystery, he (Mr. Parent) issues specifications, asking for rates for the supplying of foremen, derricks, stonecutters, stonemasons, double and single teams, and skilled labor; Mr. E. St. Louis was announced the successful tenderer. Now, I can get all the above by the thousands, at an average day's pay, without any discontent; we have also supplied ourselves with the necessary derricks capable of running the work of construction of Wellington bridge; they now want to turn all those engaged on to their list, which would increase the cost of the work 75 per cent.

IMAGINE THEIR TRYING

to place pick and shovel labourers, whom I employ for \$1.25 per day, at \$187½ on his (E. St. Louis') pay list.

As you are no doubt aware, I am, and have been, working night and day to push the work forward, and it will be too bad, when completed, to have the press crying out against the department and the Government, the enormous amount of money this bridge has cost. If the hon. the Minister of Railways and Canals is cognizant of these facts, and endorses them, why, I shall accept in humble silence, but I trust and hope that under the present successful appearance of the progress of the work, nothing nor any one shall be allowed to intercept me to the finish.

Trusting you will give this your immediate attention.

I have the honor to be, sir,

Your obedient servant,

E. KENNEDY,

Supt. Lachine Canal.

Here Mr. Kennedy, who had been for a lifetime the trusted officer of the Government in charge of this special kind of work, writes to the Solicitor-General informing him of the scandalous manner in which certain things are being conducted. The Solicitor-General very properly takes cognizance of that information at once, and brings it to the knowledge of the Government. He told us to-day from his seat in the

House, and his letter in reply also told the tale. On the 14th March, 1893, he replied to Mr. Kennedy as follows :—

MY DEAR KENNEDY— I have seen the Minister of Railways and Canals, and found that all has been tendered for, including labor for the carrying out of the work of the bridge, &c.

Now, the Solicitor-General did not put the case quite properly in that letter. He said that all had been tendered for. Even admitting that all had been tendered for, did that mean that the work was to be carried on in the

RECKLESS MANNER

that Mr. Kennedy mentioned, that Mr. Douglas mentioned, that the *Star* newspaper hinted at ? The fact that labor and material had been tendered for did not mean that labor or material should be extravagantly employed or wasted. Then, Mr. Kennedy, not being satisfied, and anxious no doubt for the public interest, as well as for his own reputation, determines to come up personally to the fountain head and see the Minister, and on the 16th of March he telegraphs to the Solicitor-General in these words :

Will arrive in Ottawa to-day per 3.30 p.m. Canadian Pacific Railway train. Want to see you at Russell House, 4 p.m., without fail ; important business. E. Kennedy, Superintendent Lachine Canal.

It appears to me, Mr. Speaker, that it was a most unfortunate thing for the Minister of Railways and the Government and the country that Mr. Kennedy was not allowed to continue his journey ; but he gets an answer from the Solicitor-General in the following language :—

Do not report at department until you see me.

J. J. CURRAN.

Now, why did the hon. Solicitor-General send that telegram ? He has told us to-night. He says that on receiving Mr. Kennedy's telegram to the effect that he was coming to Ottawa, he went to the department to see Mr. Schreiber, he reported Mr. Kennedy's intended arrival, and Mr. Schreiber ordered Mr. Kennedy to remain on the works or he would be dismissed. What does Mr. Kennedy say on that point ? He was examined before the commission, and he swore as follows :

Q. You would not like to admit that you have no political influence ?
A. At the present time I have no political influence.

Q. But in the old days ? A. In the old days I think I had some. I was entitled to a little. But, in answer to your question as to Parent, I want to inform you that Mr. Curran, Solicitor-General for Canada, the member for Montreal Centre, in whose district and constituency the work was being carried on, when I complained to him, he came up here to Ottawa and I telegraphed to him that I was coming. He went and interviewed Mr. Schreiber, and told him that Kennedy was coming here. He was told by Schreiber that if Kennedy came he would discharge him.

Q. What were you coming for ? A. I was coming here to make certain explanations as to what was going on.

Q. And complaints ? A. Yes, and Mr. Curran, with all his influence, was told to go home and mind his own business, and so was I.

Q. Mr. Curran was told that? A. Well, he was not told that exactly, but he was told that if Kennedy left the work and came up to Ottawa, he would be discharged.

Q. Did he tell you that he told Mr. Schreiber what he wanted to come up for? A. Yes; with regard to the labor contract.

There, Mr. Speaker, we have it in evidence, not only that men were anxious to furnish information to the Government, but that the Government were themselves

STANDING IN THE WAY

and refusing to allow a trusted servant to come here in the public interest and supply that information. So the expenditure goes on. Then, last session, the Minister of Railways, addressing the House on this question, said:

The chief engineer, about the 12th of April, sent Mr. Douglas down to Montreal to investigate, and on the 14th of April he reported so far as he was able to ascertain, the amount of the pay-rolls, &c., for March and the first week in April to be about \$177,000, and that there would probably be a further expenditure of \$100,000 by the 1st of May.

There we have it that on the 14th day of April the Minister of Railways had information from Mr. Douglas that the pay-roll for March and April would amount to no less than \$277,000, leaving out the cost of material and the \$60,000 which he knew the country would have to pay for the superstructure. What ought to have been the course of the Minister of Railways on receiving that information? Surely at that stage he ought to have visited the work himself to satisfy himself from actual observations what was going on.

DID HE DO SO?

No. If the Minister were in the House, I would bring to his attention a manifest error which he made in his speech last night. On the 19th April the Minister of Railways did inspect the work. He saw what was going on. On the 25th April, Mr. Schreiber reported to the Minister. I will read his letter:

Dear Mr. Haggart,—As I mentioned to you, I was not a little startled upon receiving from Mr. Parent the pay-rolls and accounts for the month of March in connection with the Wellington street bridges, which summed up to an enormous figure. I at once despatched Mr. R. O. Douglas off to Montreal to look into the matter and ferret out all the information he could, and report to me the position of matters; the information he gives me is as follows:

December, January and February pay-rolls, etc., in round figures.....	\$ 79 000
March.....	132,000
April.....	110,000
Contracts for superstructure	61,000
	\$382,000
Less materials, etc., to be credited to this work, and to be debited to other appropriations, say	32,000
	\$360,000

And this he considers is the minimum figure that the work is likely to cost. When the estimate made by Mr. Trudeau, the then chief engineer, and Mr. Parent, the superintending engineer, early in 1892, is considered, namely, \$150,000 for 16 feet navigation, and \$40,000 additional if a depth of 20 feet of water was given, making in all \$190,000, the excess of expenditure requires some explanation. Mr. Parent explains that the excess of expenditure is due to the large amount of ice which had to be cut up and carted away; to the frozen condition of the excavation, to the breaking away of the cofferdam on two occasions, to the solid frozen condition of the crib and other obstructions which had to be removed, and, as I understand him to say,

TO POLITICAL INTERFERENCE.

Superintendent Kennedy attributes it to all the causes named by Mr. Parent, excepting the latter, of which he makes no mention, I, however, am of the opinion that, whilst these latter causes may have contributed to an increased cost, that we must look for other reasons to account for the enormous expenditure over and above the estimate. Mr. Douglas is now in Montreal looking into the matter and endeavoring to keep expenses down to reasonable proportions. In the meantime, liabilities have been incurred for wages, materials, &c., to meet which a Governor-General's warrant is required for \$200,000.

I may state that this excess of expenditure over the estimate was not foreseen by me, and even now I am not in a position to explain it to my satisfaction, but I will have the matter carefully looked into and endeavor to get at the bottom of it. So far as I have had the opportunity of observing, everything done in connection with the Lachine Canal is on an extravagant basis, if nothing more.

That is the statement of the confidential deputy head. What should the Minister of Railways have done on the receipt of the letter? Should he not have stopped the payment of money? Surely that letter was a warning. Nothing was done, however, and on the 10th May, a commission was issued. Here I call the attention of the Minister of Justice to an extraordinary delay. The Deputy Minister, Mr. Schrieber, on 10th May advised the issuing of a commission. A week elapsed before it was issued, and it was not until the 29th May that that commission was put into the hands of the commissioners, and not until nearly \$150,000 had been paid out to the contractor, who was afterwards said to have obtained

THE LARGEST PORTION OF IT BY FRAUD.

The last claim made before the issue of the commission was for \$66,000, and that was paid on the 27th May. There had been a recommendation for the commission on the 10th May, there had been an order for it on the 17th May, and that commission had been held in abeyance until after \$66,000 had been paid on the 27th May. The Order-in-Council appointing the commissions was dated the 17th May, and after it was issued and before the commissioners met, this large sum of \$66,000 was paid on account of the claim suspected at least of being fraudulent and the genuineness of which was to be the subject of inquiry. I find after the inquiry was begun, namely, on the 6th June, \$39,000 more was paid on account of these fraudulent and overcharged accounts, making a total of \$179,170.87 paid to Mr. St. Louis between the 24th April and the 6th June. From the 10th March, when the

Minister of Railways had notice at the very commencement of these frauds, until the completion of the works, no step whatever was taken to guard against loss or wrong-doing, and a mere enquiry is directed to take place after the loss had been sustained. I think we are entitled to ask the Minister of Railways, with all these notices before him,

WHY HE DID NOT PERSONALLY EXAMINE THE WORK.

If every one of his officers had agreed to give him one particular version ; if all the evidence was of one character, then we might be more likely to be lenient in our judgment. But in this particular case he had ample notice to put him on his guard. Mr. Schreiber knew there was conflict of testimony. The department knew well the extravagance that was going on, and there was every reason to suggest to the Minister the necessity for personally informing himself. What is his explanation for not having himself awakened to a sense of his responsibility, and personally investigated these works long before he did ? If he had gone to these works on the 1st April, when they had only been in full swing for about three weeks, he would have been able, to a large extent, to stop this mischief, but he only went on the 19th April and made an official visit. What is his explanation ? Let me read from the speech which he delivered last night. He seems to have had an extraordinary idea as to his responsibility. If his deputy gives him certain advice, he is not to act upon it. Last night, speaking of the contract for labor, this improvident contract for labor, which is the cause of the greater portion of this loss, the hon. Minister said :

I may have been mistaken in regard to the contract, the engineer in charge of my department may have been mistaken in regard to the employment of labor, and that it should have been obtained by contract. Is that a serious charge to be made in this House, and to be embodied in an amendment to go into Committee of Supply—an error of judgment, perhaps, committed by me because I accepted the recommendation of the engineer of my department and of the superintendent of the works. I am not supposed to possess sufficient technical knowledge to act in these matters. It would be sufficient justification for me at any time, if, instead of exercising my judgment, I simply accepted the advice of my department.

Now, Sir, if that were to be sanctioned for a moment in this House ; if it were to be admitted that it was a sufficient defence on the part of the Minister if he could show that he had acted on the advice of his deputy, then all ministerial responsibility would be at an end. In that case we should be extending to the Ministers of the Crown the doctrine that alone protects the sovereign, "the king can do no wrong." Then each member of the Government would be placed upon a pedestal beyond the reach of criticism ; he would be enabled to take shelter behind subordinates who are not in any way responsible to the people. I will quote further from the hon. Minister's defence for not inspecting the work, which, I think, you will find is no defence :

The first time I knew that extravagant expenditure was being made, was in a report made by Mr. Schreiber, on 26th April.

I have given evidence that is not quite consistent with that.

I never certified to payments, nor is a single payment certified to by myself.

As to the point of certifying, I say it was the Hon. Minister's duty to

ACTIVELY INTERFERE

in order to prevent the money going out, instead of, after all this notice, merely acting, as his own statement shows, a negative part in not certifying to enable the money to go out. Then he says, speaking of the labor contracts :

The price was a fair one for the labor which those parties performed. At that time, as every one knows, the House was in session ; the House was in session from January to the last of April, all this work was done between 8th March and about the 20th April, and yet hon. gentlemen opposite say that the Minister of Railways should have a supervision over the work.

Now, the Minister of Railways here suggests that because this House was in session he could not superintend this work, his time being occupied here from January until the last of April. That is his excuse for not giving his personal attention to this transaction. I want to acquit the hon. gentleman in advance of any intention of mis-stating the facts ; but I may tell the House that in the session of 1893, the session to which he alludes, the House prorogued on the 1st April. And yet from 1st April to 19th April, the day before the whole work was practically complete, according to his statement,

HE NEVER VISITED THE WORK.

He offers, as an extenuation for not visiting the work and informing himself of the facts, that he was engaged attending to his parliamentary duties—that is the inference to be drawn from his statement—and yet the House had prorogued three weeks before. So, whatever may be argued as good ground for extenuation, he has struck the wrong explanation in the statement he has made. The fact seems to be to give it the mildest color—and I desire to do that—the hon. Minister appears not to have appreciated his proper position in connection with the expenditure of public money. Now, Mr. Speaker, I apologize for having occupied so much of the time of the House at this late hour ; but I think I have made good the statement I made at the beginning that I would simply use evidence that could not be successfully contradicted. I have shown that, even taking the most favorable view of the case, \$134,000 has been paid out without any possible justification. I have shown that that expenditure took place inside of two months, that during the whole of that period the responsible Minister had constant, almost daily information that there was extravagance, if not worse, in connection with the work, that

MOST UNBUSINESS-LIKE METHODS

were adopted, and these things themselves culminated in producing an impression on his mind and the minds of his colleagues, resulting in a demand for a public investigation. And yet, with all those warnings,

it never seems to have occurred to the Minister to take the first step to prevent wrong-doing, and to protect the public treasury. This is an extraordinary state of affairs, particularly in view of the sums so paid for labor :

24th April.....	\$ 74,777 45
29th April.....	9,100 00
8th May.....	8,393 42
27th May.....	66,000 00
6th June.....	39,000 00

Total..... \$197,170 87

Being part of the expenditure of \$394,000, and after abortive attempts to bring an outsider to justice, we are told when we come here, to the court of last resort,

THAT WE MUST NOT CALL

the responsible Minister or the Government of the day to account. And I am reminded that these last two payments, amounting to \$105,000, were made after the pay-sheets had been discredited by the chief engineer by his refusal to certify them. One defence of the Minister is that he had nothing to do with signing the cheques or taking active steps to cause the payments to be made, but that the payments simply followed the presentation of vouchers. I think, Sir, that after a warning like that, a clear duty devolved upon the responsible head of the department to take active steps to prevent loss. Whatever may be the proper remedy, it is too late in the day of responsible government to tell us now that no Minister of the Crown can be held responsible under such circumstances for this loss to the country, for this loss to our public reputation, for the discrediting of our system of public works, for the general demoralization that appears to have existed in the Railway Department of this country.

SPEECH
DELIVERED IN THE
HOUSE OF COMMONS
BY
MR. MULOCK

ON THE 24th OF JUNE, 1895.

On the Governor-General's Salary, and Expenses of the Office.

EXPENDITURE IN THE FIRST 25 YEARS SINCE CONFEDERATION.

	Average Yearly Amount	Total Amount.
Salary of Governor-General . . .	\$48,666 66	\$1,216,666 05
Travelling Expenses of Governor-General	5,836 15	145,903 43
Salaries of Secretaries of Governor-General	10,814 00	270,350 14
Expenses of Secretaries of Governor-General	8,697 06	217,426 60
Purchase money of land and buildings called Rideau Hall, for Residence of Governor-General		82,000 00
Repairs to Residence of Governor-General	21,885 73	547,143 45
Furniture for Residence of Governor-General	4,354 12	108,853 01
Wages on Grounds	3,773 99	94,349 86
Fuel and Light for Residence of Governor-General	6,054 84	151,371 10
Etc. Etc. Etc. Etc.		

Total Average Annual Expenditure \$ 114,076 70
Total Expenditure in 25 years 2,851,917 76

Mr. MULOCK moved second reading Bill (No. 4) to reduce the salary of the Governor-General. He said : Mr. Speaker, in moving the second reading of this Bill, it is right that I should say at the very threshold that it is presented in no sense from a feeling of hostility to the Governors-General who have preceded the present incumbent, or His Excellency, or the office itself. Quite the contrary. It appears to me that all who favor maintaining this office, this connection between the mother country and ourselves, should at all times be astute to prevent abuses cropping up and attaching themselves to the office. If the office becomes too expensive, or for other reasons becomes unpopular, for reasons wholly foreign to the office itself, in time that unpopularity will extend to the system. Therefore, I trust that whether my proposition may commend itself to the judgment of my fellow-members or not, they will at least at once recognize that this motion is in no sense intended to reflect on any incumbent of the office, or to lower the position of the office in the public mind, but that it is purely and simply in the interest of economy, and I believe in the interest of the office itself. I should also say, Mr. Speaker, that I have not been prompted to bring this Bill in at this time because of any extraordinary expenditure in connection with that office of recent years. Year after year, in passing the estimates, we have been compelled to vote large sums of money for His Excellency, the incumbent for the time being of this high office, that were in no sense part of the engagements of the country at the time of the appointment, but which, by long practice, have come to be regarded as part of the official salary. I introduced this subject some years ago, when in Committee of Supply, on motions to grant special bonuses or sums for the maintenance of certain branches of expenditure in connection with the office of the Governor-General, but which were in no sense binding on the country, forming no part of the compact between Canada and Great Britain, no part of the Confederation Act, but simply voted year by year as the perpetuation of abuses ; and in 1893 the House caused a return to be laid on the Table, showing how much had been expended on the office in certain ways since Confederation. Those figures, which are official, are set forth in the preamble of the Bill. Hon. gentlemen, will therefore,

DISTINGUISH BETWEEN THE FIXED SALARY,

which is referred to in the Confederation Act, and other expenditures which are wholly voluntary on the part of Parliament, and are therefore in no sense part of the Act. But, first of all, what was the language of the Confederation Act which fixed any sum to represent the salary of the Governor-General. Section 105 of that Act contains all there is upon the subject in any statute, Imperial or Dominion. This section reads as follows :—

Unless altered by the Parliament of Canada, the salary of the Governor-General shall be £10,000 sterling, payable out of the Consolidated Fund of Canada.

You will observe, Mr. Speaker, that this amount was not placed in the Act of Confederation as an unalterable sum. It is not a figure that

requires to be changed by appeal to the Imperial Legislature, the fountain head of all our legislative powers. It was simply placed in the Confederation Act that we might start as a growing concern with a salary for the time being, but to be changed as the will of the people of Canada, from time to time, deemed wise. The very fact that the Act of Confederation contemplated a change, is an invitation to the representatives of the people to consider the situation, and if they deem it advisable to make a change. Therefore, Sir, I am strictly in harmony with this statutory invitation, in inviting the attention of Parliament to the salary attaching to this office, and in asking Parliament whether or not the time has arrived when we should exercise the power vested in us by this Act, and make the alteration which the Imperial Parliament said we might make. Now, Mr. Speaker, it would be worth while, just for one moment, to look at the figures which have been laid upon the Table of the House, in response to an Order showing

THE TOTAL EXPENDITURE FOR A QUARTER OF A CENTURY,

beginning with Confederation, and continuing down to the year 1892. I have not got the figures for the past two years. During the 25 years from Confederation down to 1892, we have paid for the salaries of the Governors-General, \$1,216,666.05, and for travelling expenses, \$145,903.45. This last item is a

PURELY VOLUNTARY GIFT

by Parliament, not being part of any statutory sum payable to His Excellency. Then follow two others items, salaries of His Excellencies' secretaries. \$270,350.14; and contingencies of the Governors-General's secretaries' office, \$217,426.60. With regard to these two items of nearly half a million dollars, of course it is debatable whether they should or should not properly be considered in connection with the general question. I do not know how far these salaries might be considered as of abnormal or unnecessary growth, not being behind the scenes myself; but for the purpose of argument, I group them as part of the general expenditure. Then there is an item for rental amounting to \$7,854. That was for rental before we had equipped Rideau Hall. There was the purchase-money for Rideau Hall, amounting to \$82,000. I invite the attention of hon. gentlemen to this interesting item, namely, that on a property which we bought at a total cost of \$82,000, which was for whatever buildings there was upon it, and the land, there has been expended on the buildings

NO LESS A SUM THAN \$547,143.45

for alterations, additions, repairs and maintenance. The average expenditure under that one item for a period of twenty-five years, amounts to over \$20,000 a year. We have further spent during that period a sum of \$108,853.01 upon furniture for Rideau Hall. We have spent \$94,349.86 for wages, and \$151,371.10 for fuel and light. In all

WE HAVE SPENT THE SUM OF \$2,851,917.76,

or an average yearly expenditure of \$114,076.70, being an average

yearly expenditure of \$65,410.04 in excess of the annual salary of \$48,866.66 mentioned in the Confederation Act. If we deduct from that excess of \$65,000 odd, the total average annual expenditure for Governors-General, secretaries and contingencies connected with the office, we still have that excess averaging about \$45,000 a year. Now, taking the averages of these items for the twenty-five years, I find that whilst they varied in different years, the average is about as follows:—We have disbursed, during twenty-five years, for Governors-General travelling expenses, a yearly average of \$5,836. We have disbursed annually during that twenty-five years, an average of no less than \$21,885 a year for additions, repairs and maintenance of Rideau Hall. During that same period, we have paid out annually an average sum of \$4,354 for furniture for Rideau Hall. During that same period, we have disbursed, annually, no less a sum, on an average, than \$3,773 for wages on gardens and grounds, and during that same period of twenty-five years we have disbursed annually an average sum of over \$6,000 for fuel and light, sums voted to His Excellency. Now, Sir, these are very large sums, and I submit that they are quite beyond the resources of the people of Canada. On this point it might be instructive to make a comparison, and in seeking for comparisons, I think the paying capacity of the people will be a good criterion. Taking the population of Canada as a good test of its resources, and applying the same rule in regard to our neighbors to the south, I would ask the indulgence of the House for a moment while I compare, on the basis of population, the expenditure of the people of Canada, and the expenditure of the people of the United States for the maintenance of gubernatorial institutions. In Canada, we disburse, annually, for salary to His Excellency, \$48,866.66; in salaries to Lieutenant-Governors, \$71,000; or a total of \$119,866.66 for a population under five millions. In this sum of \$119,000, I have included nothing whatever for expenses outside of the statutory salaries. I have omitted these because I am not furnished with accurate figures as to the corresponding expenses in the United States. Taking, therefore, only the statutory salaries for the corresponding offices in the United States, I find that the salary of the President is \$50,000, that of the Vice-President \$8,000, and the salaries of all the governors of all the states and territories together \$201,600, or a total charge on the people of the United States of \$259,600 for the salaries of the President, the Vice-President and all the governors in the union, as against \$119,000 in Canada. In other words, assuming our population to be one-twelfth that of the United States—and in that I am afraid I am under the mark—the result is that if our population were equal to that of the United States, it would cost us, on the present scale of payment, \$1,436,000 to pay the salaries of our Governor-General and our Lieutenant-Governors, against \$259,000 for the salaries of the corresponding officers in the United States. In other words, testing this expenditure on the basis of population, we are paying our Governor-General and our Lieutenant-Governors six times as much as is paid in the United States. Now, take an individual case. The

state of New York, with a population of six and a half millions, pays the governor a salary of \$10,000, with a residence, whereas Canada, with our population of under five millions, pays nearly \$50,000.

Nor is that an isolated case. I have in my hand a schedule, which I have taken from the World's Almanac, of 1895, page 353—and I have no doubt the figures are accurate—showing that the state of Pennsylvania, with a population of 5,258,000, about half a million more than that of Canada, only pays \$10,000 a year to its governor. It looks to me as if the whole scheme of Government in Canada, as represented by costly Governors-General, Lieutenant-Governors, and Cabinet Ministers, were founded upon too liberal a scale. For example, in the United States Government there are but eight heads of departments, each of whom is paid a salary of \$8,000 a year, or a total of \$64,000.

IN CANADA WE HAVE MINISTERS AND DEPARTMENTS GALORE.

Eleven Ministers drawing \$8,000 a year each, one drawing \$9,000, and three Controllers, together drawing \$18,000; in other words, the executive heads of our Government cost us \$115,000 a year, as against \$64,000 a year, payable to the corresponding heads of departments in the United States. In other words, we are paying about 80 per cent. more in the way of salaries to the members of our Government, than are paid to the members of the United States Government. I mention that as a further illustration of the extravagant scale upon which our Government was formed. I shall be told, no doubt, that on a former occasion, the Parliament of Canada passed a Bill reducing the salary of the Governor-General to \$35,000 a year, and that the Bill was disallowed by the Imperial authorities; and, I suppose, it will be argued that there is no reason to hope for better success should Parliament now repeat, in an aggravated form, as my opponents might say, the proposition it made before. It is true that in 1868 the Imperial authorities did see fit to disallow that Bill;

BUT WHAT THEY DID IN 1868,

when confederation had only been a year or so in existence, is no test of what they ought to do after confederation has been in existence for over a quarter of a century. They had a right to suppose in 1868, that this country would expand in wealth and population to such a degree, as perhaps to enable us to pay these expenses without feeling them. Therefore, I assume that the liberal scale of remuneration adopted at the commencement, was adopted under a mistaken idea, and perhaps with a more hopeful expectation as to the growth of our country than has been realized. But whatever may have been the reason,

THE FACT STARES US IN THE FACE,

that this original salary of \$48,000 is only about half of what the office costs us now. So that even if some hon. gentlemen insist on maintaining the salary at the figure fixed in the Confederation Act, they cannot justify the expenditures which have grown up and become attached to the office within the last twenty-five years. It is not intended by the

Bill that the change shall take effect until a new Governor-General is appointed. I began this movement during the regime of Lord Derby, but I was not able to press the measure to a successful issue during his regime. I introduced it again last year, and I have introduced it again this year, in the hope that it will become law in time to apply to the successor of His Excellency. Now, it is argued that this high salary and these perquisites are necessary in order to secure to Canada the very best men the Empire can afford to send us. I admit that the salary in itself is some attraction; but I believe that

THE HIGH POSITION OF GOVERNOR-GENERAL OF CANADA

is an attraction in itself, and the man who would only come for the salary, would not be the kind of a man that Canada would be specially anxious to have. I think that the men who have filled this high office would feel that it was a reflection upon them to be told that this salary and these perquisites were the only things that had brought them here. They have come from a feeling of pride to be of service to the Empire; and I am sure Great Britain possesses no dearth of men able and willing to fill this high office without making it an unnecessary burden upon the people of the country. The expenses of our Government have grown beyond what is reasonable; and if we are going to apply the pruning-knife,

WE MUST BEGIN AT THE TOP.

The Government must set the example, every one who is in possession of power must set the example, that we may bring back the expenditure to reasonable and moderate limits. Who can justify the expenditure of our country to-day? It cannot be justified by the wealth of the country. There is nothing to warrant this enormous expenditure of nearly \$38,000,000, except the fact that we are burdened down with debt, and with office-holders great and small. In making that remark, I speak with all respect to His Excellency, who has endeared himself to the people of Canada. My remarks are wholly impersonal. They have no reference to him or to any of his predecessors; but inasmuch as I happen to be speaking during his regime, I would more particularly desire to be understood that nothing in his administration has given occasion for any movement in this direction. The occasion exists independent of his administration. Nor would I be doing fairly by the subject if I were to suggest that the expenditure has grown to its present proportions under the present administration. Taking the returns that I have covering a quarter of a century, giving the figures during the Reform regime as well as the Conservatives regime, there is nothing on the score of economy, particularly to the credit of the Reform administration of 1874 to 1878. So that my criticism is also wholly without reference to any particular Government. I am not blaming now any Government in connection with this matter. The fact is, this Government has so many sins to answer for, that I need not add this to the others, if it were one. I only hold them responsible as being to-day in command of the treasury, and I hold the whole House equally respon-

sible unless the House insists upon reform in this matter. I will not trespass longer on the attention of the House, but will conclude by saying that I believe

HE WILL BEST SERVE THE PEOPLE OF CANADA,

and best promote the maintenance of the system to-day, who will aid at all times in lopping off abuses, including those I have particularly referred to, and which are pointed out in the Bill. I therefore confidently submit this measure to the House, hoping that even if my figures in the direction of economy are not such as to commend themselves to the hon. members, they will at least go into Committee of the Whole on the Bill, where we may be able to pass it in some modified form, and legislate in the way of economy without at the same time impairing the public service.

